COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF MIKE)	CASE NO. 2004-00513
LITTLE GAS COMPANY, INC.)	

<u>ORDER</u>

On October 22, 2003, in Case No. 2003-00141,¹ the Commission approved rates for Mike Little Gas Company, Inc. ("Mike Little") and provided for their further adjustment in accordance with Mike Little's gas cost adjustment ("GCA") clause.

On December 20, 2004, Mike Little filed its proposed GCA to be effective February 1, 2005.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

- 1. Mike Little's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Mike Little's expected gas cost ("EGC") is \$11.7345 per Mcf, which is an increase of \$2.0114 per Mcf from the previous EGC of \$9.7231.
- 3. Mike Little's notice sets out no current quarter refund adjustment ("RA"), and it had no RAs remaining from previous quarters.

¹ Case No. 2003-00141, Application of Mike Little Gas Company, Inc. for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities, Order dated October 22, 2003.

4. Mike Little's notice sets out a current quarter actual adjustment ("AA") of .31 cent per Mcf. Mike Little's notice sets out a total AA of 35.32 cents per Mcf, which is a decrease of 4.59 cents per Mcf from the previous total AA.

5. Mike Little's GCA is \$12.0877 per Mcf, which is \$1.9655 per Mcf more than the previous rate of \$10.1222.

6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Mike Little on and after February 1, 2005.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after February 1, 2005.

2. Within 20 days of the date of this Order, Mike Little shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 28th day of January, 2005.

By the Commission

ATTEST:

Kobatli amata for the Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00513 DATED January 28, 2005

The following rates and charges are prescribed for the customers in the area served by Mike Little Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

	Gas Cost Recovery <u>Base Rate</u> <u>Rate</u>		<u>Total</u>
First 1 Mcf – Minimum Bill	\$5.50	\$12.0877	\$17.5877
Over 1 Mcf	4.3271	12.0877	16.4148